

110TH CONGRESS  
1ST SESSION

# S. 539

To address ongoing economic injury in Gulf Coast States impacted by Hurricanes Katrina and Rita by reviving tourist travel to the region.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 8, 2007

Ms. LANDRIEU (for herself, Mr. LOTT, and Mr. KERRY) introduced the following bill; which was read twice and referred to the Committee on Environment and Public Works

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## A BILL

To address ongoing economic injury in Gulf Coast States impacted by Hurricanes Katrina and Rita by reviving tourist travel to the region.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Helping Our States  
5       Through Tourism Act of 2007” or the “HOST Act of  
6       2007”.

7       **SEC. 2. FINDINGS.**

8       Congress finds that—

1           (1) in the 12-month period ending on June 30,  
2   2005—

3           (A) tourism was the second largest indus-  
4   try in Louisiana, employing 175,000 workers;

5           (B) tourism was the fifth largest industry  
6   in Mississippi, employing 126,500 workers;

7           (C) tourism generated \$600,000,000 in  
8   State and local taxes in Louisiana;

9           (D) tourism generated \$634,000,000 in  
10   State and local taxes in Mississippi;

11          (E) tourism had a \$9,900,000,000 eco-  
12   nomic impact in the State of Louisiana;

13          (F) tourism had a \$6,350,000,000 eco-  
14   nomic impact in the State of Mississippi;

15          (G) the State of Louisiana generated \$14  
16   in revenue for every dollar the State spent on  
17   tourism;

18          (H) the State of Mississippi generated \$12  
19   in revenue for every dollar the State spent on  
20   tourism;

21          (2) Hurricanes Katrina and Rita severely im-  
22   pacted Louisiana's travel and tourism industry, re-  
23   ducing—

1 (A) direct traveler expenditures by more  
 2 than 18 percent between 2004 and 2005, from  
 3 \$9,900,000,000 to \$8,100,000,000; and

4 (B) travel-generated employment by 9 per-  
 5 cent between 2004 and 2005;

6 (3) Hurricane Katrina severely impacted Mis-  
 7 sissippi's travel and tourism industry, reducing—

8 (A) direct traveler expenditures by more  
 9 than 18 percent between 2004 and 2005, from  
 10 \$6,350,000,000 to \$5,200,000,000; and

11 (B) travel-generated employment by nearly  
 12 18 percent between 2004 and 2005, from  
 13 126,500 jobs to 103,885 jobs; and

14 (4) the Gulf Coast economy cannot fully recover  
 15 without the revitalization of the tourism industries  
 16 in Louisiana and Mississippi.

17 **SEC. 3. DEFINITIONS.**

18 In this Act:

19 (1) ADMINISTRATOR.—The term “Adminis-  
 20 trator” means the Administrator of the Small Busi-  
 21 ness Administration.

22 (2) DISASTER AREA.—The term “disaster area”  
 23 means the areas in Louisiana and Mississippi in  
 24 which the President has declared a major disaster in  
 25 response to Hurricane Katrina or Hurricane Rita.

1           (3) HURRICANE KATRINA AND RITA DISASTER  
 2 AREAS.—The term “Hurricane Katrina and Rita  
 3 disaster areas” means the geographic areas des-  
 4 ignated as major disaster areas by the President be-  
 5 tween August 27, 2005, and September 25, 2005, in  
 6 Alabama, Florida, Louisiana, Mississippi, and Texas  
 7 pursuant to title IV of the Robert T. Stafford Dis-  
 8 aster Relief and Emergency Assistance Act (42  
 9 U.S.C. 5121 et seq.).

10           (4) MAJOR DISASTER.—The term “major dis-  
 11 aster” has the meaning given that term in section  
 12 102 of the Robert T. Stafford Disaster Relief and  
 13 Emergency Assistance Act (42 U.S.C. 5122).

14           (5) RELEVANT TOURISM ENTITIES.—The term  
 15 “relevant tourism entity” means any convention and  
 16 visitors bureau, nonprofit organization, or other  
 17 tourism organization that the governor of Louisiana  
 18 or the governor of Mississippi, as the case may be,  
 19 after consultation with the Secretary of Commerce,  
 20 determines to be eligible for a grant under section  
 21 3.

22           (6) SMALL BUSINESS CONCERN.—The term  
 23 “small business concern” has the meaning given  
 24 that term in section 3 of the Small Business Act (15  
 25 U.S.C. 632).

1 **SEC. 4. TOURISM RECOVERY GRANTS.**

2 (a) IN GENERAL.—The Secretary of Commerce, act-  
3 ing through the Assistant Secretary of Commerce for Eco-  
4 nomic Development, shall establish a grant program to as-  
5 sist relevant tourism entities to promote travel and tour-  
6 ism in Louisiana and Mississippi in accordance with this  
7 section.

8 (b) ALLOCATION OF FUNDS.—From the amounts ap-  
9 propriated pursuant to subsection (f), the Secretary shall  
10 allocate, as expeditiously as possible—

11 (1) \$130,000,000 to the State of Louisiana;

12 and

13 (2) \$45,000,000 to the State of Mississippi.

14 (c) USE OF FUNDS.—Amounts allocated to a State  
15 under subsection (b) shall be used by the State to provide  
16 grants to any relevant tourism entity to—

17 (1) promote travel and tourism in the State;

18 and

19 (2) carry out other economic development ac-  
20 tivities that have been approved by the Secretary of  
21 Commerce, in consultation with the State.

22 (d) CRITERIA.—Notwithstanding any other provision  
23 of law, a State, in awarding grants under subsection (c)—

24 (1) may use such criteria as the State deter-  
25 mines appropriate; and

1           (2) shall not be required to apply eligibility cri-  
 2           teria for programs administered by the Federal Gov-  
 3           ernment, including the Department of Commerce.

4           (e) ADMINISTRATIVE EXPENSES.—Not more than 1  
 5           percent of the funds allocated to States under subsection  
 6           (b) may be used for administrative expenses.

7           (f) AUTHORIZATION OF APPROPRIATIONS.—There  
 8           are authorized to be appropriated \$175,000,000 to carry  
 9           out this section.

10   **SEC. 5. ECONOMIC INJURY DISASTER LOANS.**

11           (a) LOAN AUTHORIZATION.—

12           (1) IN GENERAL.—The Administrator may  
 13           make a loan under section 7(b)(2) of the Small  
 14           Business Act (15 U.S.C. 636(b)(2)) to a small busi-  
 15           ness concern located in the disaster area that can  
 16           demonstrate that—

17                   (A) more than 51 percent of the revenue of  
 18                   that small business concern comes from tour-  
 19                   ism; and

20                   (B) such small business concern suffered  
 21                   direct economic injury from the slowdown in  
 22                   travel and tourism in the disaster area following  
 23                   Hurricane Katrina or Hurricane Rita.

1           (2) APPLICATION.—Notwithstanding any other  
 2           provision of law, an application for a loan described  
 3           in paragraph (1) shall be submitted not later than—

4                   (A) 18 months after the date of the enact-  
 5                   ment of this Act; or

6                   (B) such later date as the Administrator  
 7                   may establish.

8           (b) AUTHORIZATION OF APPROPRIATIONS.—There  
 9           are authorized to be appropriated such sums as are nec-  
 10          essary to carry out this section.

11   **SEC. 6. FEDERAL GULF COAST TRAVEL AND MEETINGS**  
 12                   **FUND.**

13          (a) ESTABLISHMENT.—There is established in the  
 14          Treasury of the United States a trust fund, to be known  
 15          as the Federal Gulf Coast Travel and Meetings Fund (re-  
 16          ferred to in this section as the “Trust Fund”), consisting  
 17          of such amounts as are appropriated to the Trust Fund  
 18          pursuant to subsection (f) and any interest earned on in-  
 19          vestment of amounts in the Trust Fund pursuant to sub-  
 20          section (b).

21          (b) INVESTMENT OF TRUST FUND.—It shall be the  
 22          duty of the Secretary of the Treasury to invest such por-  
 23          tion of the Trust Fund that is not required to meet cur-  
 24          rent withdrawals. Such investments may only be made in  
 25          interest-bearing obligations of the United States or in obli-

1 gations, whose principal and interest is guaranteed by the  
 2 United States.

3 (c) OBLIGATIONS FROM TRUST FUND.—

4 (1) IN GENERAL.—The Secretary of the Treas-  
 5 ury may obligate such sums as are available in the  
 6 Trust Fund for the purposes described in paragraph  
 7 (2).

8 (2) ELIGIBLE USES OF TRUST FUND.—  
 9 Amounts obligated under this subsection may be  
 10 transferred to Federal agencies to pay for—

11 (A) lodging, meals, travel, and other ex-  
 12 penditures associated with conventions, con-  
 13 ferences, meetings or other large gatherings at-  
 14 tended by not less than 100 Federal employees  
 15 and occurring within the Hurricane Katrina  
 16 and Rita disaster areas; and

17 (B) other expenditures in the Hurricane  
 18 Katrina and Rita disaster areas, in accordance  
 19 with paragraph (3).

20 (3) PROHIBITED USES OF TRUST FUND.—  
 21 Amounts obligated under this subsection may not be  
 22 transferred to Federal agencies to pay for—

23 (A) Federal investigations;

24 (B) court cases; or



1 (C) events attended by less than 100 Fed-  
2 eral employees.

3 (4) OTHER EXPENDITURES.—Amounts may not  
4 be obligated under paragraph (2)(B) before the date  
5 that is 30 days after the Secretary of the Treasury  
6 submits a report to the Committee on Appropria-  
7 tions of the Senate and the Committee on Appro-  
8 priations of the House of Representatives that sets  
9 forth the intended uses for such amounts.

10 (d) REPORT.—Not later than December 31, 2007,  
11 the Secretary of Treasury shall submit a report to the  
12 Committee on Appropriations of the Senate and the Com-  
13 mittee on Appropriations of the House of Representatives  
14 that sets forth—

15 (1) the balance remaining in the Trust Fund;

16 (2) the expenditures made from the Trust Fund  
17 since its inception;

18 (3) information on the applications of the Fed-  
19 eral agencies whose requests from the Trust Fund  
20 have been denied;

21 (4) information on the applications that have  
22 been approved, including the amount transferred to  
23 each Federal agency and the uses for which such  
24 amounts were approved; and

1           (5) such additional information as the Com-  
2       mittee on Appropriations of the Senate and the  
3       Committee on Appropriations of the House of Rep-  
4       resentatives shall reasonably require.

5       (e) AUTHORIZATION OF APPROPRIATIONS.—There  
6       are authorized to be appropriated \$2,500,000 for fiscal  
7       year 2007 to be deposited in the Trust Fund.

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